Hughes Ship Tax Doubled By California

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Billionaire Howard Hughes' organization will be assessed an additional $3 million in back taxes for the CIA-sponsored Glomar Explorer, it was learned yesterday.

Los Angeles County Tax Assessor Philip E. Watson said he would levy an "escape assessment" on Hughes' Summa Corp. because Coast Guard papers show the mystery ship was registered in California in late 1973.

He said the registration papers—disclosed by The Washington Post in April—seemed to contradict claims of Summa Corp. that the vessel had been permanently licensed in Delaware and thus was not subject to California taxes.

The new property tax levy would bring the total tax bil. being assessed against Summa Corp. to about $6.1 million. Watson sent an initial $3.1 million bill for 1975 property taxes to the corporation last week. He said the company had ignored his repeated attempts to pin down true ownership of the vessel.

Watson said he had been assured by CIA representatives at a secret meeting in January that the government owned the ship. It raised portions of

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a sunken, nuclear-armed Soviet submarine from the Pacific Ocean floor last summer in a top-secret CIA operation code-named Project Jennifer.

Sources said that the Hughes empire does own the ship and had been planning to build it for deep-sea mining operations when the CIA learned of it and financed expensive refinements for the sub-raising operation. The refinements were a giant claw to lift the Soviet sub from the ocean depths and a huge barge to secretly carry the claw and install it in the Glomar's hold near Catalina Island.

The sworn registration papers, filed under oath with the Coast Guard in Long Beach, Calif., and renewed on the same date last year, state that the Summa Corp. is "the sole owner" of he Glomar Explorer.

The papers also showed that the ship's original, "permanent" registration with the Coast Guard in Delaware was surrendered when it arrived in California in 1973 and took out a year-to-year certificate to ply coastal waters there.

Watson said in a telephone interview that the year-to-year contract was "contrary to what they (Summa) stated to me in a letter dated March 29, 1974. They said then that the vessel was registered in Delaware."

The assessor said the Hughes interests also claimed that the vessel was still undergoing construction work on the March 1, 1974 "lien date" when tax rolls for that year were closed. He said that also was cited by Summa as grounds for not paying 1974 taxes.

Watson said, however, that this "would seem impossible to me" now.

As far as he is concerned, he said, "the vessel was complete when they registered it here."